

**MINUTES OF TELEPHONIC MEETING
ILLINOIS GAMING BOARD
January 21, 2004
CHICAGO, ILLINOIS**

NOTE: ITEMS IN **BOLDFACE PRINT** REFLECT OFFICIAL BOARD ACTIONS

A Telephonic Meeting of the Illinois Gaming Board ("Board") was held on January 21, 2004. The Board met in the conference room of the Gaming Board Offices on the 3rd floor at 160 N. LaSalle for closed session.

The following Board Member was present: Chairman Elzie Higginbottom and Member Violet Clark. Members Gary Peterlin and William Dugan were present telephonically.

The meeting convened at 9:21 A.M. Pursuant to Section 2(c), paragraphs (1), (11), and (14) of the Open Meetings Act and Section 6(d) of the Riverboat Gambling Act, Member Clark moved that **the Board retire to Closed Session to discuss the items listed under Closed Session on today's agenda and relating to the following subject matters:**

- 1. Investigations concerning applicants and licensees;**
- 2. Pending litigation and matters involving probable litigation; and**
- 3. Personnel matters.**

Member Dugan seconded the motion. The Board approved the motion unanimously by voice vote.

The Board convened its Open Session at 10:23 A.M.

Owner Licensee Items

ARGOSY GAMING COMPANY – REQUEST TO REFINANCE DEBT – AMENDMENT OF REFINANCING TERMS AND WAIVER OF TWO-MEETING RULE

Member Clark moved that **the Board waive the requirement of Board Rule 3000.105(e) and permit Argosy Gaming Company to present to the Board its request to waive the two-meeting rule.** Member Dugan seconded the motion. The Board approved the motion unanimously by voice vote.

ARGOSY GAMING COMPANY – REQUEST TO REFINANCE DEBT – AMENDMENT OF REFINANCING TERMS

Based on a review of the staff's investigation and recommendation, Member Clark moved that **the Board approve Argosy Gaming Company's request to refinance its debt pertaining to a \$350M senior subordinated note with a coupon rate of 10.75% and delegate to the Administrator under Board Rule 3000.230(d)(2), final approval of the**

transaction upon execution of the appropriate documents. The parameters of the refinancing shall be as follows:

Argosy Gaming Company shall be allowed to enter into a financing transaction at any time during the next 90 days with the following terms and conditions:

- 1. That the amount that Argosy seeks to borrow not exceed \$380M to complete the transaction, of which \$30M would consist of the tender premium;**
- 2. That the interest rate adjustment from 10.75% be less than 7.75%;**
- 3. That the remaining terms are consistent with the term sheet sent by Argosy General Counsel James Butler and Argosy Chief Financial Officer, Dale Black on December 22, 2003 or financing with covenants less restrictive than Argosy's existing debt;**
- 4. No other terms and conditions have changed from the second amended and restated credit agreement which was previously approved by the Illinois Gaming Board on July 31, 2001;**
- 5. That Argosy Gaming Company shall give notice to the Board within 24 hours of any transaction that is entered into pursuant to this order; and**
- 6. That Argosy Gaming Company shall update the Board on the status of its debt refinancing at every regular scheduled Board meeting until the transaction is completed.**

Member Peterlin seconded the motion. The Board approved the motion unanimously by voice vote.

At 10:25 A.M., Member Peterlin moved to adjourn. Member Clark seconded the motion. The Board approved the motion unanimously by voice vote.

Respectfully submitted,
Monica Thomas

Secretary to the Board